

LEASE AGREEMENT

This **Lease Agreement**, hereinafter this "Lease," executed in duplicate, is by and between Southeast Community College, a political subdivision of the State of Nebraska, hereinafter known as "Lessor," and City of Lincoln, Nebraska, hereinafter known as "Lessee," acting on behalf of Department of Urban Development, Workforce Investment, hereinafter known as "Tenant Agency," collectively the "Party" or "Parties."

1. Premises. Lessor hereby leases, subject to the terms, covenants and conditions set forth in this Lease, to Lessee, the premises located at:

**1111 'O' St, Suite 205
Lincoln, NE 68508**

hereinafter "Demised Premises," which consists of **3,965** square feet of leasable area, not including any Common Area, shown on the floor plan attached hereto and incorporated herein as *Exhibit A – Demised Premises Floor Plan*. Lessor warrants and represents that it is the owner of the Demised Premises. The Demised Premises are being leased for the sole purpose of general office space and shall not be used for any other purpose.

- 1.1 Common Areas – Definition.** "Common Areas" are all areas and facilities outside the Demised Premises and within the exterior boundary line of the building and grounds and interior utility raceways within the Demised Premises that are provided and designated by Lessor from time to time for the general non-exclusive use of Lessor, Lessee/Tenant Agency, and other tenants of the building and their respective employees, suppliers, shippers, tenants, contractors and invitees.
- 1.2 Common Areas – Lessee/Tenant Agency's Rights.** Lessor hereby grants to Lessee, for the benefit of Tenant Agency and its employees, suppliers, shippers, contractors, customers and invitees, during the term of this Lease, the non-exclusive right to use, in common with others entitled to such use, the Common Areas as they exist from time to time, subject to any rights, powers, and privileges reserved by Lessor under the terms hereof.

2. Term.

- 2.1** The term of this Lease, hereinafter "Term," shall be for an initial term of four (4) years, commencing on October 1, 2013, hereinafter the "Commencement Date," and ending on September 30, 2017, hereinafter the "Expiration Date," unless sooner terminated as hereinafter provided. This Lease shall in no case become effective until all required signatures and exhibits have been obtained, the Tenant Improvements for the Demised Premises have been completed to the satisfaction of Lessee and Tenant Agency and approved by Tenant Agency and Lessee, and Demised Premises are ready for full legal and functional occupancy by the Lessee/Tenant Agency. If Tenant Agency occupies said Demised Premises prior to Commencement Date, rent will commence at time of said occupancy and shall be prorated based on the number of days in the month of earlier occupancy. The Expiration Date shall remain the same despite the earlier occupation by Tenant Agency.
- 2.2** If for any reason Lessor cannot deliver possession of the Demised Premises to Lessee/Tenant Agency by the Commencement Date Lessee/Tenant Agency shall not, except as otherwise provided herein, be obligated to pay rent or perform any other obligation of Lessee under the terms of this Lease until Lessor delivers possession of the Demised Premises to Lessee/Tenant Agency. The Term

of the Lease shall commence on the earlier of (i) the date Lessee/Tenant Agency takes possession of the Demised Premises for the conduct of business or (ii) ten (10) days following notice to Lessee that Lessor has substantially completed the Tenant Improvements, attached hereto and incorporated herein as *Exhibit B – Tenant Improvements*, provided such notice is no earlier than ten (10) days prior to the Commencement Date. If possession of the Demised Premises is not delivered to Lessee/Tenant Agency within sixty (60) days after the Commencement Date and such delay is not due to Lessee's acts, failure to act or omissions, Lessee may by notice in writing to Lessor within ten (10) days after the end of said sixty (60) day period cancel this Lease and the Parties shall be discharged from all obligations hereunder. It is acknowledged between Lessor and Lessee that Lessee is responsible for furnishing the demised premises and providing additional communication cabling to each desk and work station and it is agreed between the parties that if Lessee/Tenant Agency needs additional time to provide said items for the functioning occupancy of the Demised Premises then the Occupancy Date for Lessor to deliver possession and for Lessee to take possession shall not begin until said items are provided to the Demised Premises. If the Demised Premises is not ready for functional occupancy and possession by October 1, 2013 the Lessee/Tenant Agency shall notify the Lessor in writing of the need to extend the Occupancy Date and the parties agree that a reasonable extension of the Occupancy Date and obligation to pay rent is up to 60 days after October 1, 2013.

- 2.3 It is agreed between Lessor and Lessee that in the event Lessor, Lessee, and Tenant Agency have fully complied with all the terms and conditions of this Lease, in that event, Lessee prior to the expiration of the original Term of this Lease, shall have the right with the mutual agreement of the Lessor to renew the Lease for two (2) additional four (4) year terms as mutually agreed by all Parties in writing, upon the same terms and conditions as those set forth in the original Lease, including the rental rate which for each year during the extended term(s) will be equal to a rate that is 2% greater than the rent paid the previous year, provided Lessee notifies Lessor in writing of its exercise of such right within forty-five (45) calendar days before the end of the original Term of this Lease. If any of the terms or conditions of this Lease are to be changed at the time of renewal, said changes must be mutually agreed to in writing between all Parties.

3. Rent.

- 3.1 Lessee shall pay Lessor rent in equal monthly installments payable in advance on the first (1st) day of each month throughout the Term of this Lease. Rent payable hereunder for any period of time less than one (1) month shall be determined by prorating the monthly rent herein specified based on the actual number of days in the month. Rent shall be made payable to:

"Southeast Community College"

and sent to "SCC Accounts Payable, 8800 "O" Street, Lincoln, NE 68510" or as otherwise designated by Lessor during the Term of this Lease and served as notice to Lessee.

- 3.2 Tenant Agency will occupy **3,965** square feet of space. Prior to the commencement of the Agreement the Lessee shall measure the Demised Premises to ascertain the actual square footage contained therein. If the Lessee determines the square footage to be something other than 3, 965, then the Lessee shall confer with the Lessor in order to reach an agreement regarding the actual the square footage. Unless the Lessee notifies the Lessor prior to the commencement of the Lease

that it disputes the square footage of the Demised Premises the rent shall, throughout the lease term, be calculated based on a square footage of 3,965 square feet.

- 3.3 The payment schedule for the Term of this Lease shall be \$12.00 per square foot from October 1, 2013 through September 30, 2014, and shall be subject to a 2% increase for each subsequent year as follows:

Year	Description	SF	Rate	Annual Rent	Monthly Rent
10/1/13-9/30/14	Base Rent	3,965	\$12.00	\$47,580.00	\$3,965.00
10/1/14-9/30/15	Base Rent	3,965	\$12.24	\$48,532.00	\$4,044.33
10/1/15-9/30/16	Base Rent	3,965	\$12.48	\$49,483.00	\$4,123.58
10/1/16-9/30/17	Base Rent	3,965	\$12.73	\$50,474.00	\$4,206.16

4. Termination.

- 4.1 This Lease may be terminated by Lessee without penalty or liability for rent or costs by written notice to Lessor if sufficient appropriated funds are not available to Lessee and/or Tenant Agency for the purpose of paying necessary operating expenses of Tenant Agency, including rent on the Demised Premises. If the lessee's budget for the Workforce Investment Act program is such that it does not include sufficient appropriated funds to pay necessary operating expenses of Tenant Agency, including rent hereunder, notice of such fact shall be given promptly to Lessor, and if at any time it appears that appropriated funds will be depleted in the future, or such funds are not sufficient to pay necessary operating expenses of Tenant Agency including rent hereunder, notice of such fact and the estimated date of depletion shall be given promptly to Lessor. If only a portion of the funds sufficient to pay the necessary operating expenses of Tenant Agency including rent hereunder are appropriated, this Lease may be kept in force with a pro rata share of the space and corresponding rent decreased if such reduction is in the best interest of the Tenant Agency and is agreed to by Lessor. Such reduction and rent decrease shall not be effective or binding until agreed upon by all the parties hereto in writing.
- 4.2 Lessor and Lessee each shall have the right to cancel this Lease, for any reason whatsoever including no reason, upon giving one hundred twenty (120) days' notice of such cancellation in writing to the other party without penalty or liability for rent or costs.
- 4.3 Lessee may terminate this Lease immediately without penalty or liability for rent or costs for the following reasons: (a) if directed to do so by statute; (b) if Lessor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business; (c) if a trustee or receiver of Lessor or of any substantial part of Lessor's assets has been appointed by any court; (d) in the case of fraud, misappropriation embezzlement, malfeasance, misfeasance, or illegal conduct by Lessor, its employees, officers, directors, or shareholders in connection with the execution of this Lease or the performance of Lessor's obligations under the terms of this Lease; (e) if an involuntary proceeding has been commenced by any party against Lessor under any one of the chapters of Title 11 of the United States Code and (i) if the involuntary proceeding has been pending for at least sixty (60) days; or (ii) Lessor has consented, either expressly or by operation of law, to the entry of an order for relief; or (iii) Lessor has been decreed or adjudged a debtor; (f) A voluntary petition has been filed by Lessor

under any of the chapters of Title 11 of the United States Code. Except to the extent that any of the circumstances referred to herein interferes with the Lessee's use of the Demised Premises, the Lessee shall remain liable for the payment of rent until it has vacated the premises.

- 4.4 Lessee may terminate this Lease, in whole or in part, without penalty or liability for rent or costs if Lessor fails to perform its obligations under this Lease in a timely and proper manner. Lessee shall provide a written notice of default to Lessor and allow Lessor to cure a failure or breach of this Lease within a period of thirty (30) days.
- 4.5 If the whole or substantial part of the building or Demised Premises shall be taken or condemned by any competent authority for any public use or purpose, unless otherwise agreed upon in writing by the Parties, this Lease shall end upon and not before the date when possession of the part so taken shall be required for such use or purchase, and without apportionment of the award, and current rent shall be apportioned to the date of termination.

5. Notices. All notices herein provided to be given, or which may be given, by either party to the other, shall be deemed to have been fully given when made in writing and deposited in the United States mail, postage prepaid, certified return receipt, and addressed as follows:

To Lessor at:

Southeast Community College
Attn: Dr. Jack Huck, President
301 S 68th Street Place
Lincoln, NE 68510-2449
Phone: (402) 323-3415
Email: jhuck@southeast.edu

To Lessee at:

City of Lincoln, Nebraska
Attn: David Landis
555 S. 10th Street
Lincoln, NE 68508
Phone: (402) 441-7126
Email: dlandis@lincoln.ne.gov

6. Assignment and Subletting.

- 6.1 Lessee shall not assign this Lease. Lessor shall not assign this Lease without the written consent of Lessee.
- 6.2 Notwithstanding the provisions of Section 6.1, above, Lessee may permit a portion of the Demised Premises to be subleased not to exceed 1,000 square feet to the state of Nebraska, or political subdivision or one stop partner or party that desires to be at the Demised Premises to be a part of the American Job Center. In such case, the Lessee shall remain directly responsible for the payment of rent and for the proper discharge of all Lessee's obligations under the terms of this lease agreement with respect to the entirety of the Demised Premises. All rent payments will be made by the Lessee and the Lessor shall not be required to accept full or partial rent payments from any Sublessee. The cancellation or termination of this Lease by either party shall also cancel or terminate the Lease as to any Sublessee.

7. Inspection. Lessee and/or Tenant Agency agree to permit Lessor and/or its authorized representative to enter the Demised Premises during usual business hours for the purposes of inspecting the same. Lessee and/or Tenant Agency agree that Lessor may enter the Demised Premises at any reasonable time for the purpose of making necessary repairs or fulfilling any obligation with respect to cleaning and maintenance for which Lessor is responsible.

8. Fixtures and Personal Property. Any trade fixtures, equipment, furniture or personal property installed in or attached to the Demised Premises by or at the expense of Lessee and/or Tenant Agency, shall be and remain the property of Lessee and/or Tenant Agency and Lessor agrees that Lessee and/or Tenant Agency shall have the right to remove any or all of its personal property, trade fixtures, and equipment. Equipment and other personal property which may have been stored or installed by or at the expense of Lessor shall be and remain the property of Lessor. Tenant Agency agrees that it will, at its expense, repair any damage occasioned to the Demised Premises by reason of the removal of its trade fixtures, equipment and other personal property.

9. Alterations. Lessee and Tenant Agency will not permit any alterations or additions to any part of the Demised Premises, except by written consent of Lessor, which consent shall not be unreasonably withheld. All alterations to the Demised Premises shall remain for the benefit of Lessor unless otherwise provided in said consent. Notwithstanding the foregoing, Tenant Agency may, with or without consent of Lessor, make additions, alterations, repairs or other changes to the Demised Premises of a non-structural nature, provided that upon completion of such alterations and additions, the fair market value of the Demised Premises and rental value thereof will not be less than the fair market value and rental value of the Demised Premises immediately prior to such alterations and additions. Said fair market value and rental value shall be determined by a licensed real estate appraiser, in good standing in the State of Nebraska, mutually agreed to by Lessee and Lessor.

10. Return of Premises. At the conclusion of this Lease or any extension thereof, Lessee shall return the Demised Premises to Lessor in the same condition as it was received at origination of this Lease, normal wear and tear excepted as provided in Section 9, above. If at the conclusion of this Lease or any extension thereof, Lessor is of the opinion that Lessee/Tenant Agency is not leaving the Demised Premises in the same condition as it was received, normal wear and tear excepted, then such costs of restoration will be mutually agreed upon between the Parties.

11. Destruction of Premises.

11.1 If a portion of the Demised Premises or the building is damaged by fire, unavoidable casualty, Act of God, or some other event that renders the Demised Premises unfit ("Event") such that Lessee is prevented from conducting its business in the premises in a manner reasonably comparable to that conducted immediately before such Event, then Lessee may terminate this Lease by delivering written notice to Lessor of its election to terminate within 30 days after the Event without penalty. The portion of any lease payment which is attributed to the period of time after the Lease has been terminated in the above manner shall be refunded by Lessor to Lessee. If Lessee does not so timely terminate this Lease, then Lessor shall repair the building or the Demised Premises, as the case may be, as provided below, and the lease payment for the portion of the Demised Premises rendered unusable for Tenant Agency's purposes by the damage or repair shall be abated on a reasonable basis from the date of damage until the completion of the repair, unless Lessee/Tenant agency or one or more of their agents, invitees, or employees solely caused such damage, in which case, Lessee/Tenant Agency shall continue to pay the lease payment without abatement.

11.2 Lessor shall, within fifteen (15) days after such Event, deliver to Lessee a good faith estimate of the time needed to repair the damage caused by such Event. Lessor shall be responsible for repairing the same in a timely manner at Lessor's own expense and the lease payments shall be suspended and voided from the time of the Event until the Demised Premises have been put in substantially the same condition as they existed immediately before such Event.

- 11.3 Lessee understands that Lessor will not carry insurance of any kind on Lessee's or Tenant Agency's property, to wit: Lessee and Tenant Agency's goods, furniture or furnishings or any fixtures, equipment, improvements, installations or appurtenances removable by Lessee as provided in this Lease, and that the Lessor shall not be obligated to repair any damage thereto or replace the same.

12. Repair and Maintenance. During the Term of this Lease, Lessor shall maintain the Demised Premises including, but not limited to, general landscaping, sidewalks, building entrances and parking areas, the roof, exterior walls, exterior doors, exterior windows and corridors of the building, the interior walls, windows and doors of the building and Demised Premises and any building equipment in good repair and tenantable condition. Lessor's obligations include, but are not limited to, the maintenance and repair of the plumbing, heating, electrical, air-conditioning and ventilating equipment and fixtures to the end that all such facilities are kept in good operative condition except in case of damage arising from a willful or negligent act of Lessee's and/or Tenant Agency's agent, invitee, or employee. In addition, it is the responsibility of Lessor to ensure that the electrical power connections to the Demised Premises is distributed in such a way to make it convenient to provide reasonably adequate outlets to general office space and Common Areas; this is in addition to reasonably adequate electrical power required for general lighting and heating, ventilating and air conditioning equipment. Lessee agrees to communicate with Lessor on outlet and electrical power connections and Lessor will provide Lessee with the opportunity to inspect the Demised Premises before occupancy to ensure and agree that the electrical power to the Demised Premises is distributed in such a way to make it convenient to provide reasonably adequate outlets to general office space and Common Areas. Lessor's obligations shall also include, but are not limited to, furnishing and replacing electrical light bulbs, fluorescent tubes, ballasts and starters and air conditioning and ventilating equipment filters.

13. Services and Utilities.

- 13.1 Utilities: All utility services for use by Tenant Agency in the Demised Premises and associated building and associated fees shall be paid for by Lessor and be the responsibility of Lessor. Utilities includes but it not limited to all water, sewer, natural gas, heat, air conditioning, electricity, and other utilities. In the event of any outage of utility services to the Demised Premises, Lessor shall use its best efforts to restore said utility services promptly.
- 13.2 Janitorial Services/Supplies: Lessor shall be responsible for all janitorial services and/or supplies for the Demised Premises. In providing such services, the Lessor shall maintain the same standards of cleanliness, neatness, and repair that Lessor generally maintains at the facility of which the Demised Premises are a part. If Lessee is dissatisfied with the standard of janitorial service provided by the Lessor, Lessee and Lessor shall confer in order to arrive at a mutually agreeable solution.
- 13.3 Parking stalls: The Lessor has the right under the Third Amended and Restated Operating Agreement entered into by *inter alios* the Lessor and the City of Lincoln to lease a specified number of parking stalls at the parking garage owned by the City and located on Lot 2, Block 1, Centrum Block Addition. Subject to the terms of that agreement, the Lessor agrees to make up to 15 parking stalls available to Lessee for use by Lessee's employees. The Lessee shall specify the number of parking stalls it wishes to have made available. For each parking stall reserved the Lessee shall pay the Lessor an amount equal to the rent which the Lessor is required to pay to the City under the terms of the Third Amended and Restated Operating Agreement. The Lessee shall remit all rent due to the Lessor under the terms of this paragraph on a monthly basis contemporaneously with rent payments which are due under the terms of paragraph 3.1. The rental of parking stalls under this

paragraph shall be subject to the terms and conditions specified in the Third Amended and Restated Operating Agreement and such rules and regulations promulgated by the City of Lincoln as are generally applicable to other persons using the parking facilities.

- 13.4 Other: Lessor will provide trash removal, snow/ice removal from parking lots, building entrances, exits, surrounding sidewalks and driveways, lawn care, and interior and exterior pest control and services to correct any unsafe condition in a timely manner. All maintenance-related services including, but not limited to, electrical (including light tube/bulb/ballast replacement and installation), mechanical (including furnace filters installation and replacement and other routine maintenance services), plumbing (including clearing clogged toilets and drains within twenty-four (24) hours of notification), structural, roof, lawn services, pest control, etc., shall be provided by Lessor as part of the rental rate. Lessor is responsible for snow and ice removal of entrances/exits, and sidewalks as soon as practicable after cessation of snow, sleet, or icy weather. If conditions warrant, additional snow and ice removal may be needed during the business day based on conditions and the accumulation of snow, sleet, and ice.

Lessor agrees to paint the walls of the Demised Premises every five (5) years with at least one (1) coat of paint; to repair/replace carpet that is worn or becomes hazardous; shall have the carpet cleaned annually and spot cleaning will be performed, as needed, throughout the year, at Lessor's expense.

- 13.5 Lessee/Tenant Agency agrees to pay the monthly charges to provide telephone and/or computer networking services supplied to the Demised Premises for the use of Tenant Agency. The Lessor provides wi-fi at the facility of which the Demised Premises are a part. The Tenant Agency, together with Lessor and Lessor's other tenants, may use the wi-fi. Provided, however, that wi-fi is provided by the Lessor for the occasional and sporadic use of the Lessee/Tenant Agency and the Lessor's other tenants and is not intended to be used as a primary internet connection. Lessee/Tenant Agency agrees that it will contract for and maintain an internet connection through a third-party internet provider at its own expense which will be used as Lessee/Tenant Agency's primary internet connection. It is the responsibility of Lessor to ensure adequate entrance facilities are provided by the local communications company for the services required. Lessor shall provide and install at Lessor's cost communication cabling to the Lessee's data closet as identified on Exhibit B and Lessor shall provide at Lessor's cost wall outlets and conduit for communication needs as requested by the Lessee as a part of the remodeling of the Demised Premises. The Lessee shall be responsible for installing and paying the cost of any additional cabling desired by the Lessee or the Tenant Agency. Lessee is responsible for providing and paying the cost of additional communication cabling, Cat 5e or another choice of Lessee, to each desk and work station. A current copy of the labeling scheme shall be provided to both Tenant Agency and Lessor by the installer upon request by either Party throughout the Term of this Lease.

- 13.6 Lessee/Tenant Agency agrees to pay all costs and monthly charges to provide cable service to the Demised Premises, if any.

- 13.7 Elevator Service. The Lessor has the right under the Third Amended and Restated Operating Agreement referenced above to use the elevators owned by the City of Lincoln, and located at Lot 2, Block 1, Centrum Block Addition and to permit its Lessees to do so. Subject to the terms of that agreement, the Lessor agrees to permit Lessee and Tenant Agency to use said elevators. Lessee has reviewed the terms of the Third Amended and Restated Operating Agreement and understands the

limitations which apply to use of the elevators. Lessee agrees to take such precautions as may be necessary to ensure that no damage will be done to the elevator when Lessee/Tenant Agency is using it for transportation of merchandise, supplies, or equipment, and Lessee shall reimburse Lessor for the cost of repair of any damage done through the use of the elevator for Lessee/Tenant Agency's transportation of merchandise, supplies, or equipment, to the extent that the Lessor is liable to the city for such damage. Lessor shall incur no liability to Lessee for loss of use of or repair time, regardless of the length of time that the elevators are unavailable for the Lessee's use.

- 13.8 **Water and Restrooms.** Water for drinking, lavatory and toilet purposes and restroom facilities shall be provided by the Lessor. A lavatory will be installed and maintained by Lessor on the same floor as the Demised Premises for the use and convenience of the employees, agents, and invitees of the Lessor, the Lessee/Tenant Agency, and any other tenant occupying space in the building in which the Demised Premises are located.

14. Holding Over. In the event Lessee remains in possession of the Demised Premises after the expiration of the Term or any extension thereof, this Lease shall be automatically extended on a month-to-month basis, subject to termination by either party by providing thirty (30) days written notice of termination to the other party, and otherwise on the terms and conditions herein specified. Rent payable during any holdover period shall be the same as the monthly rent payable in the last month prior to expiration unless another amount is mutually agreed upon in writing by Tenant Agency, Lessee and Lessor. Provided, however, that the 2% annual rent increase specified in paragraph 3.3 shall also apply during any hold over period even in the absence of an additional written agreement.

15. Compliance with Law.

- 15.1 Lessor shall, at its expense, comply with all applicable statutes, charters, laws, ordinances, building and maintenance codes, rules, regulations, requirements and orders of duly constituted public authorities now or hereafter in any manner affecting the Demised Premises, or the use thereof, or the sidewalks, alleys, streets, and ways adjacent thereto, whether or not any such statutes, charters, laws, ordinances, rules, regulations, requirements, or orders which may be hereinafter enacted involve a change of policy on the part of the governmental body enacting the same.
- 15.2 Lessor shall provide that the Demised Premises meets all current applicable code requirements, including but not limited to fire/life safety codes and the Americans with Disabilities Act Accessibility Guidelines.
- 15.3 Lessor is required and hereby agrees to use a federal immigration verification system to determine the work eligibility status of new employees physically performing services within the State of Nebraska. A federal immigration verification system means the electronic verification of the work authorization program authorized by the Illegal Immigration Reform and Immigrant Responsibility Act of 1996, 8 U.S.C. 1324a, known as the E-Verify Program, or an equivalent federal program designated by the United States Department of Homeland Security or other federal agency authorized to verify the work eligibility status of a newly hired employee.

16. Liabilities and Indemnification. To the fullest extent permitted by law, the Lessee shall indemnify, defend and Hold Harmless the Lessor, its officers, agents and employees from all claims, damages, losses and expenses including but not limited to attorney's fees, arising out of or resulting from the use of the Demised Premises by the Lessee that results in any claim for damage whatsoever, including without limitation, any bodily

injury, sickness, disease, death or any injury to or any destruction of tangible or intangible property, including any loss of use therefrom, and that are caused by the intentional or negligent act or omission of the Lessee or anyone directly or indirectly employed by the Lessee or anyone for whose acts any of them may be liable. This section shall not require the Lessee to indemnify, or hold harmless, the Lessor for any losses, claims, damages and expenses arising out of or resulting from the intentional or negligent act or omissions of Lessor, its agents, invitees or employees.

Similarly, to the fullest extent permitted by law, the Lessor shall indemnify, defend and Hold Harmless the Lessee, its officers, agents and employees from all claims, damages, losses and expenses including but not limited to attorney's fees, arising out of or resulting from the use or maintenance of the Demised Premises or Building by the Lessor that results in any claim for damage whatsoever, including without limitation, any bodily injury, sickness, disease, death or any injury to or any destruction of tangible or intangible property, including any loss of use therefrom, and that are caused by the intentional or negligent act or omission of the Lessor or anyone directly or indirectly employed by the Lessor or anyone for whose acts any of them may be liable. This section shall not require the Lessor to indemnify or hold harmless the Lessee for any losses, claims, damages and expenses arising out of or resulting from the intentional or negligent act or omissions of Lessee, or its agents, invitees or employees or the intentional or negligent acts of any Sublessee, or its agents, invitees or employees.

The parties to this agreement recognize that the Lessee/Tenant Agency is a governmental entity and the parties agree the Lessee/Tenant Agency does not waive its governmental immunity by entering into this lease and retains all immunities and defenses provided by law. The parties to this agreement recognize that the Lessor is a governmental entity and the parties agree the Lessor does not waive its governmental immunity by entering into this lease and retains all immunities and defenses provided by law.

17. Default.

- 17.1 In the event Tenant Agency and/or Lessee fails to pay any lease payment due herein or fails to keep and perform any of the other terms or conditions hereof, Lessor may serve written notice of default upon Lessee. Upon such receipt, Lessee and/or Tenant Agency shall have thirty (30) days to cure the default so noted in the notice of default. If, after said cure period the default has not been cured, Lessor may resort to any and all legal remedies or combination of remedies which Lessor may desire to assert, including but not limited to one or more of the following: (1) declare the Lease terminated; (2) file a claim for the lease payment due under the Lease and/or for any damages sustained by Lessor; (3) continue the Lease in effect and relet the Demised Premises on such terms and conditions as Lessor may deem advisable with Lessee and/or Tenant Agency remaining liable for the monthly lease payment until the Demised Premises is relet.
- 17.2 No action by Lessor shall be construed as an election to terminate the Lease unless written notice of such intention is given to Lessee by certified mail, return receipt requested.
- 17.3 In the event Lessor fails or refuses to comply with any requirements of the Lease within thirty (30) days of the event giving rise to the requirement or in the event of an emergency constituting a hazard to the health or safety of Lessee's and/or Tenant Agency's employees, property, or invitees, Lessee and/or Tenant Agency may perform such maintenance or make such repair at its own cost and, in addition to any other remedy Lessee and/or Tenant Agency may have, may deduct the amount thereof from the lease payment that may then be or thereafter become due hereunder.

18. Compliance with Civil Rights Laws and Equal Opportunity Employment. In connection with the performance of its obligations under the terms of this Lease, Lessor shall comply with all applicable local, state and federal statutes and regulations regarding civil rights and equal opportunity employment. In connection with the performance of Lessor's obligations under the terms of this Lease, neither Lessor nor any subcontractors of Lessor shall discriminate against any employee or applicant for employment, to be employed in the performance of this Lease, with respect to the employee or applicant hire, tenure, terms, conditions or privileges of employment, because of his or her race, color, religion, sex, disability or national origin.

In connection with the performance of its obligations under the terms of this Lease, Lessee/Tenant Agency shall comply with all applicable local, state and federal statutes and regulations regarding civil rights and equal opportunity employment. In connection with the performance of Lessee's obligations under the terms of this Lease, neither Lessee/Tenant Agency nor any of their subcontractors shall discriminate against any employee or applicant for employment, to be employed in the performance of this Lease, with respect to the employee or applicant hire, tenure, terms, conditions or privileges of employment, because of his or her race, color, religion, sex, disability or national origin.

19. Drug Free Workplace. Lessor certifies that it maintains a drug free workplace environment to ensure worker safety and workplace integrity. Lessor agrees to provide a copy of its drug free workplace policy at any time upon request by Lessee. Lessee/Tenant Agency certifies that it maintains a drug free workplace environment to ensure worker safety and workplace integrity. Lessee/Tenant Agency agrees to provide a copy of its drug free workplace policy at any time upon request by Lessor.

20. Lessor Site Policies, Rules and Regulations, Smoking Policy and Signage Criteria.

20.1 Rules and Regulations. Lessee and Tenant Agency and their employees, agents, licensees and invitees will at all times observe faithfully, and comply strictly with, all rules and regulations applicable to the Building in which the Demised Premises are located. Lessor may, in its sole discretion, from time to time reasonably amend, delete or modify existing rules and regulations, or adopt reasonable new rules and regulations for the use, safety, cleanliness and care of the Demised Premises and/or the Building, and for the comfort, quiet and convenience of occupants of the Building. Lessee, Tenant Agency, and their employees, agents, licensees, and invitees will observe and comply with said rules and regulations as long as they do not interfere with Tenant Agency's ability to carry on its business diligently and continuously within the Building, Demised Premises, and common areas. Lessor will not be liable to Lessee or Tenant Agency for violation of such rules and regulations by any other tenant of the Building, or said tenant's employees, agents, licensees, visitors. In the event of any conflict between the provisions of this Lease and the rules and regulations, the provisions of this Lease will govern.

20.2 Prohibition Against Smoking and Use of Tobacco Products. Smoking and the use of chewing tobacco or other tobacco products is prohibited in the Demised Premises and in the Building where the Demised Premises are located. The Lessee and Tenant Agency shall strictly enforce this policy as to all agents, employees, and invitees in the Demised Premises and shall use their best efforts to enforce the policy with respect to their agents, employees, and invitees when they are located in common areas.

20.3 **Access Outside of Daily Operational Hours.** If Tenant Agency must perform on-site work outside of the daily operational hours as provided to Lessor, Tenant Agency must make arrangements with Lessor to ensure access to the facility and Tenant Agency equipment.

20.4 **Signage.** The Lessee/Tenant Agency shall be permitted to have one sign which shall be affixed to the window or wall immediately adjoining the entrance to the Demised Premises. Before installing any sign the Lessee shall submit plans to the Lessor for the Lessor's approval which shall show the size, content, and design of the sign and specify the material from which the sign will be constructed. The plans shall also show the intended location of the sign and the means which will be used to affix the sign to a window or wall. The Lessee/Tenant Agency shall not affix any sign to the premises other than a sign which complies fully with plans and specifications which have been approved by the Lessor. The Lessee/Tenant Agency shall pay all costs relating to the design, construction, and installation of the sign. Upon termination of the lease, the Lessee/Tenant Agency shall be responsible for removing the sign and for repairing any damage to the premises caused by installation or removal of the sign.

21. Insurance and Notice of Self-Insurance.

21.1 Lessee is self insured for general liability and workers compensation as shown on the letter of self insurance, attached hereto on Exhibit C, and incorporated herein by reference.

21.2 Lessor maintains the insurance coverages set forth on Exhibit D which is attached hereto and incorporated by reference.

22. **Hazardous Materials.** Lessee and Tenant Agency will not store, use or dispose of any hazardous, toxic, corrosive, explosive, reactive, or radioactive matter or material in, on or about the Demised Premises or the building where the Demised Premises are located. Lessee will be solely responsible for and will defend, indemnify and hold harmless Lessor, its agents and employees, from and against all claims, costs and liabilities, including professional fees and costs, arising out of or in connection with the Lessee's breach of its obligations in this paragraph. Lessee will be solely responsible for all costs relating to any removal, clean-up and restoration necessary to return the Demised Premises and any other property of whatever nature located on the Premises Building to their condition existing prior to Lessee's or Tenant Agency's breach of its obligations under this paragraph. Lessee's obligations under this paragraph will survive the termination or expiration of this Lease.

23. **USE.** The Demised Premises will be used only for office purposes. Lessee further agrees that the Lessee and Tenant Agency will not: (i) do or permit to be done in or about the Demised Premises anything which is prohibited by or which will in any way conflict with any law, statute, ordinance or governmental rule or regulation which is now in force or which may be enacted or promulgated after the commencement of this agreement; (ii) do or permit anything to be done in or about the Demised Premises which will in any way obstruct or interfere with the rights of the Lessor or other tenants of the Building or Project, or injure or annoy them; (iii) use or allow the Demised Premises to be used for any improper, immoral, unlawful or objectionable purpose; (iv) cause, maintain or permit any nuisance in or about the Demised Premises or commit or allow to be committed any waste in, on or about the Demised Premises.

24. **CERTAIN INSURANCE RISKS.** Lessee will not do or permit to be done any act or thing upon the Demised Premises or Building which would (a) jeopardize or be in conflict with fire insurance policies covering the Demised Premises or Building or (b) increase the cost or rate of fire insurance applicable to the Demised Premises

or Building to an amount higher than it otherwise would be for general office use of the Demised Premises or Building, or (c) subject Lessor to any liability or responsibility for injury to any person or person or to property by reason of any business or operation being carried on upon the Demised Premises. Lessor will notify Lessee in writing of any act or behavior that the Lessor has knowledge that Lessee is creating or doing which increases the insurance risk.

25. Amendments and Binding Effect. This Lease may not be amended except by instrument in writing signed by Lessor and Lessee. No provision of this Lease shall be deemed to have been waived by either party unless such waiver is in writing signed by the applicable party and no custom or practice which may evolve between the Parties in the administration in the terms hereof shall waive or diminish the right of either party to insist on the performance of the other party in strict accordance with the terms hereof.

26. Consequential Damages. Neither party shall be liable for consequential damages, including, but not limited to, loss of profits, loss of good will, loss of business opportunity, or additional financing costs or loss of use of any equipment or property.

27. Severability. If any clause or provision of this Lease is illegal, invalid, or unenforceable under present or future laws, then the remainder of this Lease shall not be affected thereby and in lieu of such clause or provision, there shall be added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

27. Entire Agreement. This Lease constitutes the entire agreement between Lessor and Lessee regarding the subject matter hereof and supersedes all oral statements and prior writings relating thereto. Except for those set forth in this Lease, no representations, warranties or agreements have been made by Lessor or Lessee to the other with respect to this Lease or the obligations of Lessor or Lessee in connection therewith. The normal rule of construction that any ambiguities be resolved against the drafting party shall not apply to the interpretation of this Lease or any exhibits or amendments hereto.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.

IN WITNESS WHEREOF, the Parties have executed this Lease as of the day and year last below written.

LESSEE:

Chris Beutler, Mayor
City of Lincoln, Nebraska

Date

LESSOR:

Jack J. Huck
Jack J. Huck, President
Southeast Community College

7/9/13
Date

Federal I.D. Number: 47-0549567

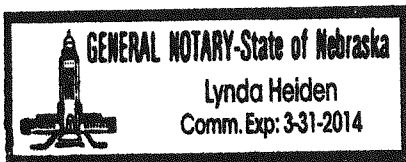
ACKNOWLEDGMENT

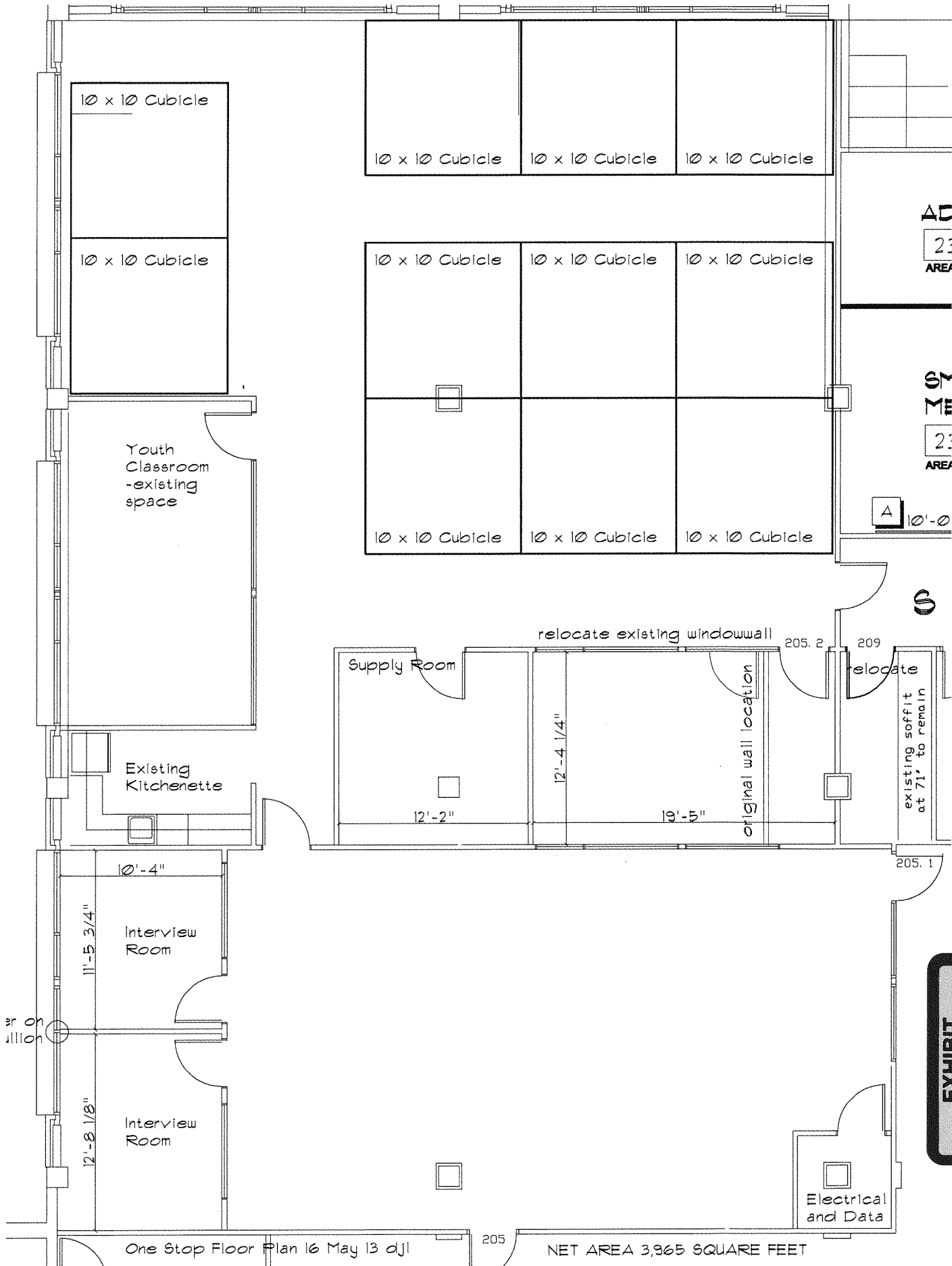
STATE OF NEBRASKA, COUNTY OF LANCASTER

The foregoing instrument was acknowledged before me this 9th day of July, 2013 by Jack J. Huck, President, on behalf of Southeast Community College, an agency of the State of Nebraska.

Lynda Heiden
Notary Public

Affix seal here.





205
AREA

209
AREA

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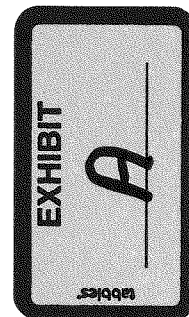
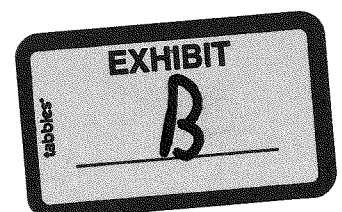
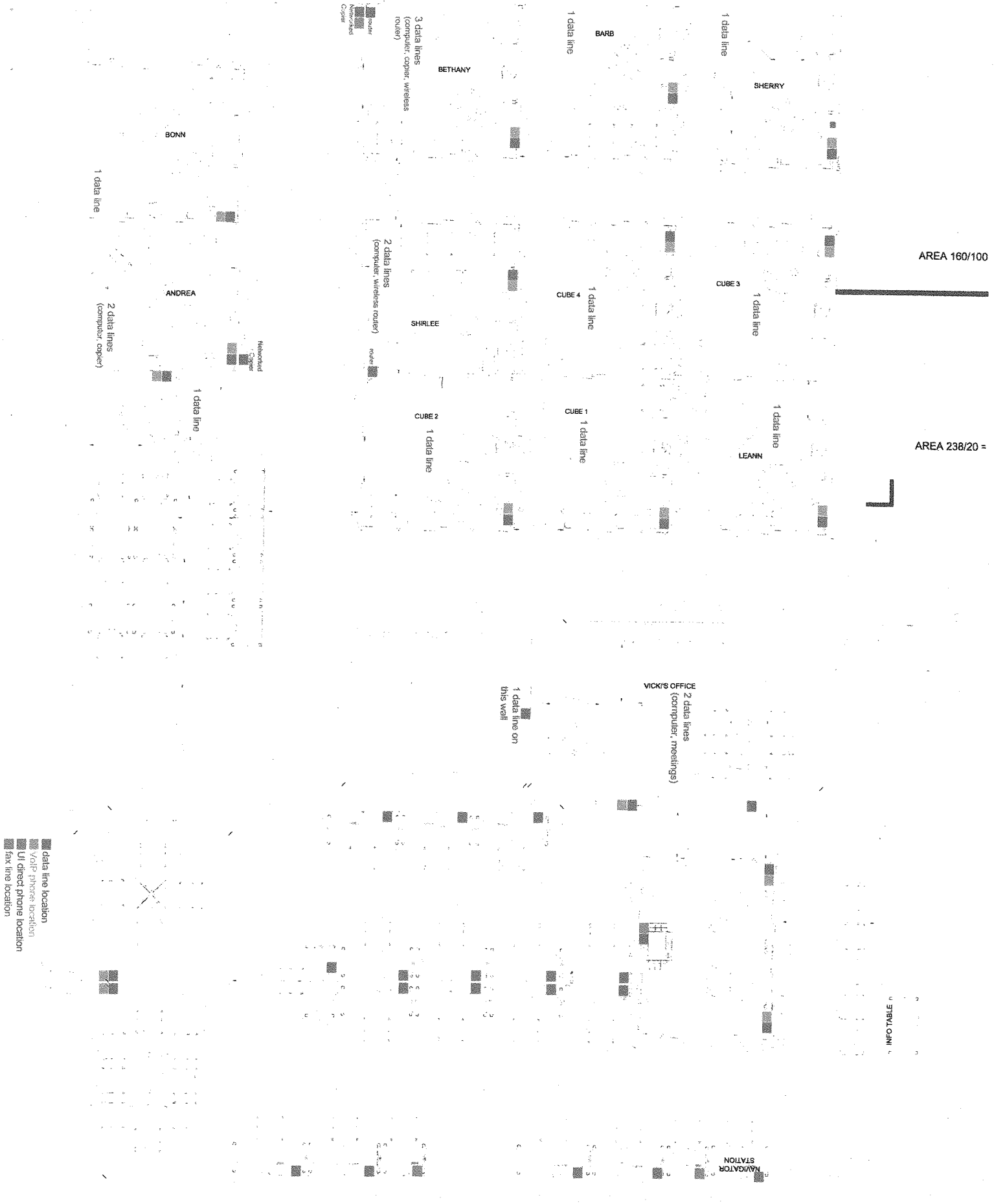


Exhibit B – Tenant Improvements

- A. Exhibit B includes a data line communication plan showing the most up to date general office space floor plan indicating in green the data line connections and general area office needs for wall outlets. The electrical and data closet referenced in the lease is indicated on the floor plan.
- B. The Lessor agrees to furnish at Lessor's cost as part of the tenant improvements the following:
 - 1. A ¾ inch conduit from the wall box to just above the ceiling anywhere there will be data lines.
 - 2. A 6 ft x 6 ft x ½ inch thick piece of plywood mounted to the wall in the data closet to hang the network rack on – a 4 gang box with electrical outlet on the wall next to the plywood.
- C. Lessor agrees to provide Lessee access to the demised premises when framing is completed but before the drywall is up or other improvements are completed to be able to run the data lines.
- D. Lessor agrees to provide wall outlets and conduit for communication needs as referenced in paragraph 13.5.





AREA 160/100

AREA 238/20 =

INFO TABLE



LINCOLN-LANCASTER COUNTY
PERSONNEL DEPARTMENT
Risk Management & Benefits
555 South 10th Street Suite 302 Lincoln, NE 68508
402-441-7671 fax: 402-441-6800 lincoln.ne.gov

May 31, 2013

Statement Of Self Insurance

Re: General Liability Insurance For Lease Agreement

To Whom It May Concern:

Please be advised that for purposes of providing coverage for general liability exposures resulting from negligent acts, errors or omissions of the City of Lincoln, its officers, agents, employees and volunteers, the City of Lincoln does purchase excess insurance coverage under a policy of insurance but is "self-insured" for a large portion of any loss. After a self insured retention of \$250,000, the City of Lincoln has General Liability insurance with a limit of \$6,000,000 per occurrence.

The City of Lincoln maintains specific funds in its self-insurance reserve and is authorized by statute and charter to levy taxes in amounts sufficient to pay any monetary judgements which might accrue to the City.

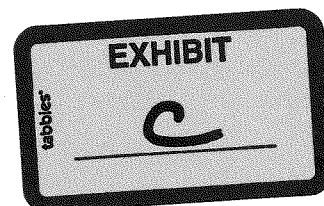
Even though the City is responsible for a self-insured retention, it nevertheless recognizes and reaffirms its responsibility to accept liability for damages, and to pay such damages from its own funds, in those instances where insurance would otherwise have provided coverage for the City, and where a properly filed claim is approved by the City Council.

If you have any questions, please feel free to contact me at (402) 441-6009.

Sincerely,

A handwritten signature in black ink, appearing to read "William C. Kostner".

William C. Kostner MBA, ARM-P
Risk Manager



[illegible]

Selective Package Program

2012-2013 Protected Self-Insurance Structure

Workers Compensation	Property Auto Physical Damage	General Liability Law Enforcement Liability	Automobile Liability	Errors & Omissions Employment Practices Liability	Employee Dishonesty Crime	Boiler & Machinery
Excess Workers Compensation Statutory Limits excess of \$550,000 Safety National Insurance Co.	Excess Property \$350,000,000 Excess \$500,000 \$10,000,000 Annual Aggregate Flood/Earthquake Travelers Insurance Co.	Excess Liability \$4,000,000 (\$9,000,000) Per Occurrence Including School Board Legal Liability Ironshore Specialty Insurance Company				
\$350,000 Excess of \$200,000	\$400,000 Excess of \$100,000	\$1,900,000 Excess of \$100,000	\$1,900,000 Excess of \$100,000	\$1,900,000 Excess of \$100,000	\$1,000,000 Excess of \$100,000 Travelers Surety	\$100,000,000 Boiler & Machinery Zurich
\$200,000 Self-Insured Retention	\$100,000 Self-Insured Retention	\$100,000 Self-Insured Retention	\$100,000 Self-Insured Retention	\$100,000 Self-Insured Retention	\$25,000 Self-Insured Retention	

1. The SIR is a per occurrence retention. Only one retention applies in the event of a multiple coverage part loss.
2. \$400,000 annual aggregate applies to Flood and Earthquake in the primary \$500,000 Property limit.
3. All coverages have a \$4,000,000 Excess Liability limit except Central and Southeast who purchase \$9,000,000 limits.

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Selective Insurance Company of America

Coverage: Package – Property, including Building, Contents, Mobile Equipment, EDP, Inland Marine, and Auto Physical Damage
Carrier: Selective Insurance Company of America
Form Type: Per Occurrence
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Valuation Type	Retention	Premium*
Property	\$400,000	Replacement Cost	\$100,000	\$727,630

* Optional TRIA premium \$25,467 for entire Package option.

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Coverages include, but are not limited to:

Property Limit:	\$400,000 blanket limit for all risk of physical loss or damage to all real or personal property and against all risks of direct physical loss where you have an obligation to provide adequate insurance wherever located. As per schedule on file with carriers. No coinsurance provision applies.
Flood⁽¹⁾ and Earthquake:	\$400,000 sublimit subject to a \$100,000 SIR
Builders Risk:	\$400,000 sublimit subject to college receiving a Certificate of Insurance form from the General Contractor naming the school and NCCIT as Additional Insureds as their interest may appear.
Valuation:	Replacement Cost except for vehicles and contractors' equipment which are Actual Cash Value (ACV)
Joint Loss Agreement:	Included

Exclusions include, but are not limited to:

- Damage Caused by Moths, Termites, Vermin
- Normal Settling, Shrinkage or Expansion of Foundations and/or Walls
- Land, Bridges, Roadways, Walls, Patios, Other Paved Surfaces
- Mold, Pollution, Nuclear, and Asbestos
- Animals
- Currency, Notes, Securities
- Bulkhead, Piers, Pilling
- Cost of Excavation/Filling
- Retaining Walls not Part of Building
- Underground Pipes and Flues
- Antennas, Fences, Trees, Plains
- Cost of Reproduction of Media

⁽¹⁾ Flood Zones A and V excluded.

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Selective Insurance Company of America

Coverage: Package – Crime
Carrier: Selective Insurance Company of America
Form Type: Per Occurrence
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Retention	Premium
Money and Securities (Within premises)	\$75,000 Each and Every Loss	\$25,000	Included in Selective Package
Money and Securities (Outside premises)	\$75,000 Each and Every Loss	\$25,000	Included in Selective Package
Employee Dishonesty	\$75,000 Each and Every Loss – Excludes employees known to have committed fraudulent or dishonest acts	\$25,000	Included in Selective Package
Forgery and Alterations	\$75,000 Each and Every Loss	\$25,000	Included in Selective Package

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Coverages include, but are not limited to:

- The reporting period for Crime losses is one year from expiration
- Faithful Performance

Exclusions include, but are not limited to:

- Employee cancelled under prior insurance
- Inventory shortages

Endorsements include, but are not limited to:

- School Forgery or Alteration (Coverage Form B)
- School Theft, Disappearance (Coverage Form C)
- School Employee Dishonesty (Coverage Form O)
- Add Faithful Performance of Duty
- Treasurer and Tax Collectors Exclusion Deleted
- Employees Required to be Bonded by Law

Premium Terms:

- Minimum Premium: N/A
- Minimum Earned, Annual and Minimum Deposit: N/A

Conditions of the Quote, Coverages, or Binding:

- N/A

Arthur J. Gallagher Risk Management Services, Inc.

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Selective Insurance Company of America

Coverage: Third-Party Liability including Bodily Injury, Property Damage, Advertising Injury, and Personal Injury, exclusive of the SIR as defined in the policy

Carrier: Selective Insurance Company of America

Form Type: Per Occurrence except for Employee Benefits Liability

Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Aggregate Per Member	Retention	Premium
General Liability	\$1,900,000 Per Occurrence	\$3,800,000	\$100,000	Included
Medical Payment	\$5,000 Limit Per Person		\$100,000	Included
Fire Damage	\$500,000 Per Occurrence		\$100,000	Included
Employee Benefits Liability	\$1,900,000 Claims-Made Coverage – Retro Date 7/1/1991 This policy provides coverage only for those claims that are first made against the Insured and reported in writing to the Company or its authorized representative during the Policy Period or during the Extended Reporting Period, if any.	\$2,900,000	\$100,000	Included
Automobile Liability	\$1,900,000 Per Occurrence	N/A	\$100,000	Included
Auto Medical Payments	\$5,000 Per Person	N/A	\$100,000	Included
Uninsured Motorists	\$1,000,000 Per Occurrence		\$100,000	Included
Underinsured Motorists	\$1,000,000 Per Occurrence		\$100,000	Included

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Coverages include, but are not limited to:

- Named Insured includes any official, trustee, officer, employee, student teacher, or volunteers while acting within the scope of their duties
- 90-day notice of cancellation
- Automatic acquisition clause
- Liquor Liability – Metropolitan Community College⁽¹⁾

Statement of Defense Costs:

- Defense Costs are included in the Insured's Retention and part of the Limit of Liability

⁽¹⁾ Liquor Liability Premium for Metro Community College is \$1,000 (Flat Annual Charge).

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Selective Insurance Company of America

Coverage: Primary School Board Legal Liability
Carrier: Selective Insurance Company of America
Form Type: Claims-Made July 1, 1991 – Retroactive and/or Pending and Prior Litigation Date except July 1, 1995 for Central and Mid Plains Community Colleges
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Aggregate Per Member	Retention	Premium
School Board Legal Liability	\$1,900,000 each claim	\$2,900,000	\$100,000	Included

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Coverages include, but are not limited to:

- Sexual Abuse and Sexual Harassment limits are \$1,900,000 per occurrence/\$1,900,000 annual aggregate per member (Retro Date: July 1, 2008)

Statement of Defense Costs:

- Defense Costs are included in the Insured's Retention and part of the Limit of Liability

Insuring Agreement:

- Pay on Behalf

Auditable Exposures and Audit Frequency, if applicable:

- This is a nonauditable policy

Exclusions include, but are not limited to:

- Any Claim or Loss Arising Out of any insured gaining profit, remuneration, or advantage to which any insured was not entitled.
- Any Claim or Loss Arising Out of any criminal, dishonest, malicious, fraudulent, or knowingly wrongful act or omission.
- Any Claim or Loss Arising Out of inverse condemnation.
- Any Claim or Loss Arising Out of strikes, lock-outs, riots, civil commotion, war, whether or not declared, civil war, insurrection, rebellion, revolution or terrorism.
- Any Claim or Loss Arising Out of ERISA Act of 1974 including insureds activities as Trustee to ERISA Plan.
- Any Claim or Loss Arising Out of breach of contract, whether oral, written, or implied except any Employment Contract.
- Any Claim or Loss Arising Out of Pollution or Nuclear activity.
- Any Claim or Loss Cost, civil fine, penalty or expense against any insured arising from any complaint or enforcement action by any federal, state or local government regulatory agency.

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Selective Insurance Company of America

Coverage: Workers Compensation and Employers Liability
Carrier: Selective Insurance Company of America
Form #: Specimen upon request
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Retention	Premium
Statutory	\$350,000	\$200,000 Per Occurrence	Included

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Auditable Exposures and Audit Frequency, if applicable:

- Nonauditable policy form

Estimated Remuneration:

- Total estimated annual payroll – \$181,018,471

Covered States:

- Nebraska

Coverages include, but are not limited to:

- Workers Compensation
- Employers Liability
- Other States
- Volunteers
- Voluntary Compensation
- Foreign Voluntary (Repatriation)

Exclusions include, but are not limited to:

- Asbestos-Related Claims (Employers Liability only)
- Liability Assumed Under Contract
- Employees Knowingly Employed in Violation of the Law
- Punitive or Exemplary Damages
- Damages arising out of the:
 - Merchant Marine Act of 1920
 - Federal Employers Liability Act
- Loss payable under the Workers Compensation law if the insured is protected from the loss by any other insurance
- Punitive damages due to:
 - Bodily injury to any employee
- Failure of the insured to comply with any health or safety law

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Excess Property

Coverage: Excess Property
Carrier: Travelers
Form Type: Per Occurrence
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Aggregate	Retention	Premium*
Limit of Liability	\$350,000,000		Per Primary	\$271,968
Flood excluding Zone "A" Aggregate	\$10,000,000	\$10,000,000		Included
Earthquake Aggregate	\$10,000,000	\$10,000,000		Included

* Premium includes TRIA premium of \$3,900. This additional premium can be removed with acceptance of an absolute Terrorism exclusion. Premium may be subject to Surplus Lines Taxes. See Bindable Quote and Compensation Disclosure Schedule.

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Underlying Insurance Limitation

This endorsement modifies the insurance provided under the Excess Property insurance policy.

Even if a higher sublimit or period of coverage is provided under the Lead Underlying insurance policy and any other "underlying insurance," the most that loss under each coverage indicated below may contribute to the "ultimate net loss" shall not exceed the:

- Maximum limit; or
- Amount of loss sustained during the maximum period of coverage;

indicated below for such coverage:

Coverage	Maximum Limit or Maximum Period of Coverage
Valuable Papers	\$150,000
Accounts Receivable	\$400,000
EDP Extra Expense	\$300,000

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Excess Workers Compensation

Coverage: Excess Workers Compensation
Carrier: Safety National Casualty Corporation
Form #: Specimen upon request
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Aggregate	Underlying Limit	Premium*
Excess Workers Compensation	Statutory	N/A	\$550,000	\$244,375

* Premium includes TRIA premium. This may be subject to Surplus Lines Taxes. See Bindable Quote and Compensation Disclosure Schedule.

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Auditable Exposures and Audit Frequency, if applicable:

- Subject to audit of payroll at policy expiration

Estimated Remuneration:

- Estimated total payroll of \$181,018,471 for 2013-2014

Covered States:

- Nebraska

Coverages include, but are not limited to:

- TRIA Included
- Employers Liability
- Foreign Voluntary (Limited) – Employers Liability: \$100,000/Repatriation: \$25,000
- Workers Compensation

Exclusions include, but are not limited to:

- Aircraft

Endorsements include, but are not limited to:

- Employer Delineation of Insured Members
- Voluntary Compensation Endorsement – Premium Delineation
- Foreign Voluntary Workers Compensation and Employers Liability (Limited Cover; NE Benefits; \$25,000 Repatriation; \$100,000 EL)
- Foreign Terrorism Disclosure Notice
- Nebraska Mandatory Endorsement(s)
- Broad Forms – All States Endorsement

Premium Terms:

- Minimum Premium: Full Annual
- Minimum Earned, Annual and Minimum Deposit: 100%

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Excess Liability

Coverage: Excess Liability
Carrier: Ironshore Specialty Insurance Company
Form Type: Per Occurrence 7/1/1991 Retroactive and/or Pending and Prior Litigation Date except
7/1/1995 for Central Community College and Mid Plains Community College
7/1/2007 for Southeast Community College (\$5,000,000 xs \$4,000,000)
7/1/2008 Retroactive and/or Pending and Prior Litigation Date – Sexual Abuse
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit/Aggregate	Underlying Limit	Premium*
Excess Liability (Follow Form)	\$4,000,000/\$9,000,000 ⁽¹⁾	\$2,000,000	\$97,821 ⁽²⁾

* Premium ~~includes~~ TRIA premium of \$940. Premium may be subject to Surplus Lines Taxes. See Bindable Quote and Compensation Disclosure Schedule. ⁺⁹⁴⁰
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The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Coverages include, but are not limited to:

- General Liability
- School Board Legal Liability (Annual Aggregate on a "per member" basis)
- Employment Practices Liability
- Employee Benefits Liability (Annual Aggregate on a "per member" basis)
- Automobile Liability
- Law Enforcement Liability
- Contractual Liability
- Personal Injury
- Sexual Harassment (Annual Aggregate on a "per member" basis)
- Sexual Abuse and Molestation (Annual Aggregate on a "per member" basis)

Statement of Defense Costs:

- Within Policy Limit (expenses erode policy limit)

Insuring Agreement

- Pay on Behalf

Auditable Exposures and Audit Frequency, if applicable:

- Flat premium

Exclusions include, but are not limited to:

- Refer to policy

⁽¹⁾ Central Community College and Southeast Community College each carry a \$9,000,000 Limit of Liability/Annual Aggregate. All other members have a \$4,000,000 Limit of Liability/Annual Aggregate.

⁽²⁾ Includes Surplus Lines Taxes & Fees.

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Excess Crime

Coverage: Excess Crime
Carrier: Travelers
Form Type: Per Occurrence
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Aggregate	Underlying Limit	Premium
Employee Dishonesty	\$1,000,000	N/A	\$100,000	\$11,517

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Coverages include, but are not limited to:

- Employee Dishonesty
- Faithful Performance

Exclusions include, but are not limited to:

- Money or securities after they have been transferred or surrendered to a person or place outside the premises based upon unauthorized instructions or as a result of a threat to do bodily harm or damage to any property.
- Loss of property in any money-operated device unless the amount of money deposited in it is recorded by a continuous recording instrument in the device.
- Damage where the only proof of the loss or the amount of the loss is dependent upon an inventory or a profit and loss computation.
- Any part of a loss involving an employee after discovering any dishonest acts committed by the employee whether before or after being employed by the insured.

Endorsements include, but are not limited to:

- Faithful Performance of Duties
- Government Entity
- Schedule excess limit of insurance for specified positions
- Removal of Short Rate Cancellation
- Nebraska Changes
- Nebraska Cancellation or Termination
- Additional Insureds

Premium Terms:

- Minimum Premium: Full Annual Premium
- Minimum Earned, Annual and Minimum Deposit: 100%

Conditions of the Quote, Coverages, or Binding:

- N/A

Nebraska Community College Insurance Trust

Coverage Highlights/Summary of Terms & Conditions of Recommended Carrier Quotations

Boiler & Machinery

Coverage: Boiler & Machinery
Carrier: Zurich American Insurance Company
Form Type: Per Occurrence
Effective: July 1, 2013 to July 1, 2014

Coverage	Limit	Deductible	Premium*
Boiler & Machinery	\$100,000,000	\$2,500	\$50,720

* Premium includes TRIA premium. This additional premium can be removed with acceptance of an absolute Terrorism exclusion. See Bindable Quote and Compensation Disclosure Schedule.

The following is a general summary of the Insuring Agreement. Actual policy form should be sought for complete terms and conditions.

Coverages include, but are not limited to:

- "Total Limit Per Breakdown" – \$100,000,000
- Property Damage – Included
- Business Income – Included
- Business Income "Period of Restoration" Extension – 365 days
- Business Income Coinsurance – waived
- Extra Expense – Combined with Business Income
- Extended "Period of Restoration" Extension – 365 days
- Spoilage Damage – Included
- Utility Interruption – \$25,000,000
- Utility Interruption Waiting Period – 4 hours
- Brands and Labels – Included
- Contingent Time Element – \$2,500,000
- Contingent Extra Expense – Included
- "Data" or "Media" – \$2,500,000 (90 days)
- Error in Description – Included
- Expediting Expense – Included
- Newly Acquired Locations – included 365 days
- Ordinance or Law – \$2,500,000
- Ammonia Contamination – Included
- Hazardous Substances – \$2,500,000
- Water Damage – Included
- Fungus, Wet Rot and Dry Rot – \$100,000
- Fungus, Wet Rot and Dry Rot – Business Income/Extra Expense – Included
- Consequential Loss – Included

Arthur J. Gallagher Risk Management Services, Inc.

Nebraska Community College Insurance Trust

Nebraska Community College Insurance Trust – Authorization to Bind Coverage

After careful consideration of Gallagher's proposal dated May 10, 2013, Nebraska Community College Insurance Trust accepts the following coverage(s).

Please check the desired coverage(s).

		Line of Coverage	Carrier
<input checked="" type="checkbox"/> Accept	<input type="checkbox"/> Reject	Cyber Liability	Chartis \$6M limit @ \$71,487 premium


TRIA/Terrorism Coverage		Line of Coverage	Carrier
<input checked="" type="checkbox"/> Accept	<input type="checkbox"/> Reject	Bind TRIA Terrorism Coverage Act as quoted	NOT APPLICABLE

Provide Quotations or Additional Information on the Following Coverage Considerations		
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Line of Coverage

It is understood this proposal provides only a summary of the details; the policies will contain the actual coverages.

Nebraska Community College Insurance Trust confirms the values, schedules, and other data contained in the proposal are from our records and acknowledge it is our responsibility to see that they are maintained accurately.

We agree that your liability to us arising from your negligent acts or omissions, whether related to the insurance or surety placed pursuant to these binding instructions or not, shall not exceed \$20 million, in the aggregate. Further, without limiting the foregoing, we agree that in the event you breach your obligations, you shall only be liable for actual damages we incur and that you shall not be liable for any indirect, consequential or punitive damages.


Client Signature
5/14/2013
Dated
Southeast Community College

If Nebraska Community College Insurance Trust does not sign the above form, Nebraska Community College Insurance Trust will send Gallagher correspondence on or prior to effective date that documents their decisions. Nebraska Community College Insurance Trust understands that Gallagher must have this correspondence from before coverage can be bound.